

STATE OF CALIFORNIA
GAMBLING CONTROL COMMISSION

**CERTIFIED
COPY**

COMMISSION MEETING

California Gambling Control Commission
2399 Gateway Oaks Drive
Suite 100
Sacramento, California 95833
JUNE 10, 2009
10:00 A.M.

Reported by: Desiree C. Tawney, CSR No. 12414



Northern California Court Reporters

(916) 485-4949 ■ Toll Free (888) 600-NCCR ■ Fax (916) 485-1735

1 APPEARANCES:

2 DEAN SHELTON
3 Chairman

4 STEPHANIE SHIMAZU
5 Commissioner

6 ALEXANDRA VUKSICH
7 Commissioner

8 JOY CALKIN
9 Staff Services Analyst

10 TERRI CIAU
11 Deputy Director Licensing Division

12 EVELYN MATTEUCCI
13 Chief Counsel

14 Public Speakers:

15 James Allen
16 Amy Arndt
17 David Tierney

1 BE IT REMEMBERED, that on JUNE 10, 2009, commencing at
2 the hour of 10:00 A.M., at the California Gambling Control
3 Commission, 2399 Gateway Oaks Drive, Suite 100, Sacramento,
4 California, before me, DESIREE C. TAWNEY, Certified
5 Shorthand Reporter in and for the county of Placer, state
6 of California, the following proceedings took place:

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8 (The following proceedings were held on the record.)
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10 CHAIRMAN SHELTON: Everyone ready. Stand for the
11 Pledge of Allegiance. Call the meeting to order.

12 (Pledge of Allegiance.)

13 CHAIRMAN SHELTON: Roll call, please.

14 JOY CALKIN: Chairman Shelton?

15 CHAIRMAN SHELTON: Here.

16 JOY CALKIN: Commissioner Shimazu?

17 COMMISSIONER SHIMAZU: Here.

18 JOY CALKIN: Commissioner Vuksich?

19 COMMISSIONER VUKSICH: Here.

20 CHAIRMAN SHELTON: This is third-party proposition
21 player services and gambling businesses license renewal
22 subjects.

23 Who is going to carry that for us?

24 JAMES ALLEN: Good morning, Mr. Chairman and
25 commissioners. For the record, my name is James Allen,

1 A-l-l-e-n. And I am the manager of the Commission's Remote
2 Caller Bingo Program and the Regulatory Actions Unit.

3 Before we begin, I need to take care of a little
4 housekeeping, go over some basic ground rules to help keep
5 the presentation, public comments orderly.

6 For those members of the public in attendance, if you
7 have not already done so, we ask that you please sign the
8 register even if you do not wish to offer comments. This
9 is purely voluntary. We would appreciate having a complete
10 record of all of those in attendance.

11 In addition, if you do wish to offer comments, we ask
12 that you please complete one of the cards located by the
13 register and deposit it in the tray provided or hand it to
14 me or one of the staff.

15 This entire proceeding is being recorded. Persons who
16 wish to present comments are asked to come to the podium
17 and use the microphone to ensure all comments are recorded
18 and entered into the record correctly.

19 Before you begin your comments, please identify
20 yourself by name and spell your last name for the record.

21 That is all I have. Ms. Amy Arndt will be presenting
22 Agenda Item Number 3.

23 Thank you.

24 AMY ARNDT: Good morning, Mr. Chairman and
25 commissioners. For the record, my name is Amy Arndt,

1 A-r-n-d-t. I'm an analyst in the Licensing Division.

2 Agenda Item 3 concerns the proposed regulations to
3 provide for a license renewal process for third-party
4 proposition player providers and for gambling businesses,
5 to extend the term of third-party proposition player
6 contracts from one year to two years, establish a process
7 for approval of playing books, to change required forms for
8 converting a registration to a license and make other
9 non-substantive changes.

10 And in your binders there is a memorandum with staff
11 recommendations with an overview of the proposed action and
12 the proposed regulation text.

13 The proposed text and forms are also available on the
14 back table for the public.

15 Staff is recommending the Commission approve
16 initiation of the formal rulemaking process for these
17 proposed regulations. However, the Commission has the
18 option of requesting amendments be made to the proposed
19 text prior to submission to OAL after consideration of the
20 public comments made today and a discussion of the
21 issues.

22 CHAIRMAN SHELTON: Thank you. Is there any further
23 comments?

24 JAMES ALLEN: Just one item to take up before we take
25 public comments.

1 We did receive some comments and suggestions from the
2 Bureau last Friday, most of them were minor, technical,
3 little changes, editorial changes. There was one
4 recommendation, a request that was made to change the
5 language that is found on Page 12 at line 28 in the text of
6 the regulation and is repeated again on Page 21, line 6.

7 The Bureau has recommended that that language in
8 paragraph four be changed to read: Quote, If the Bureau
9 conducts an investigation, it shall be -- it shall submit a
10 written report, etcetera.

11 Staff has agreed and concurred in that recommendation.
12 And --

13 CHAIRMAN SHELTON: Is that it?

14 JAMES ALLEN: That is it.

15 CHAIRMAN SHELTON: Public comment?

16 DAVID TIERNEY: Hello, Chair, commissioners. I'm
17 David Tierney, designated agent for Network Management
18 Group.

19 I wanted to step up here today to thank the Commission
20 staff, Amy Arndt, Lisa Rowell, Tina Littleton and all of
21 your staff.

22 I've been through a number of conversions on behalf of
23 the Network Management Group, the licensing process. I
24 wanted to publically thank them for all of their help and
25 thank all of you; as well as I'd like to pass some

1 gratitude along to the Bureau and its representatives,
2 Debbie Dunn and others who are here today for all of their
3 help to work through the licensing process. We're happy it
4 is in place. Thank you very much.

5 CHAIRMAN SHELTON: Thank you. Good to hear. Anybody
6 else?

7 It appears that you've got a good document that we can
8 go forth on. So why don't you give me some wording -- 45
9 days?

10 JAMES ALLEN: Yes. We recommend -- the recommendation
11 is for the Commission to approve initiation of the formal
12 rulemaking process and to published a notice of the 45 day
13 public comment period.

14 CHAIRMAN SHELTON: Commissioners, I left you out. Do
15 you have any questions?

16 COMMISSIONER VUKSICH: No.

17 CHAIRMAN SHELTON: You're so quiet.

18 COMMISSIONER SHIMAZU: We would have spoken up.

19 CHAIRMAN SHELTON: I've become a dictator very
20 rapidly.

21 Anybody care to make a motion?

22 COMMISSIONER SHIMAZU: I'll move to approve staff's
23 recommendation.

24 COMMISSIONER VUKSICH: I'll second it.

25 CHAIRMAN SHELTON: Further public comment? Hearing

1 none, I'll call for the vote.

2 JOY CALKIN: Commissioner Shimazu?

3 COMMISSIONER SHIMAZU: Aye.

4 JOY CALKIN: Commissioner Vuksich?

5 COMMISSIONER VUKSICH: Aye.

6 JOY CALKIN: Chairman Shelton?

7 CHAIRMAN SHELTON: Aye.

8 JOY CALKIN: Motion carries.

9 CHAIRMAN SHELTON: Thank you very much. Everybody
10 worked hard to get it done. Great document.

11 We'll adjourn. Thank you.

12 (End of proceedings.)

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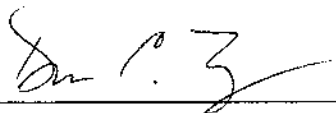
1 CERTIFICATE
2 OF
3 CERTIFIED SHORTHAND REPORTER
4

5 The undersigned certified shorthand reporter of the
6 state of California does hereby certify:

7 That the foregoing hearing was taken before me at the
8 time and place therein set forth, at which time the
9 witnesses were duly sworn;

10 That the testimony of the witnesses and all objections
11 made at the time of the meeting were recorded
12 stenographically by me and thereafter transcribed, said
13 transcript being a true copy of my shorthand notes thereof.

14 In witness whereof, I have subscribed my name this
15 date June 17 2009.

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19 Certificate Number 12414
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